



Kwong Hing International Holdings (Bermuda) Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1131)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Kwong Hing International Holdings (Bermuda) Limited will be held at Level 2, Ballroom B, Langham Hotel, Hong Kong, 8 Peking Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 31st August, 2006 at 3:00 p.m. for the following purposes:

1. To receive and adopt the audited financial statements and the reports of Directors and Auditors for the year ended 31st March, 2006;
2. To re-elect Directors and authorize the Board of Directors to fix the Directors' remuneration;
3. To re-appoint the Auditors and authorize the Board of Directors to fix their remuneration;
4. As special business, to consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:
 - A. **“THAT:**
 - (a) subject to paragraph (c) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this Resolution shall authorize the Directors of the Company during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined below);
 - (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) of this Resolution otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, or (iii) the exercise of rights of conversion or subscription under the terms of any securities which are convertible into shares of the Company or the share option scheme or similar arrangement of the Company for the time being adopted for the grant or issue to directors and/or employees of the Company and/or any its subsidiaries of shares or rights to acquire shares of the Company, shall not exceed the aggregate of: (aa) 20 percent of the aggregate nominal amount of the issued share capital of the Company in issue at the date of passing of this Resolution and (bb) if the Directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company, the nominal amount of share capital of the Company purchased by the Company subsequent to the passing of this Resolution up to a maximum equivalent to 10 percent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by Bermuda law or the Company’s Bye-laws to be held; and
- (iii) the revocation or variation of the approval given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

B. **“THAT:**

(a) Subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase shares in the capital of the Company be and is hereby generally and unconditionally approved;

(b) The aggregate nominal amount of the shares of the Company which the Company is authorised to purchase pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution, and the said approval shall be limited accordingly; and

(c) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by Bermuda law or the Company’s Bye-laws to be held; and
- (iii) the revocation or variation of the approval given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

C. **“THAT** conditional upon the passing of Resolution no. 4B set out in the notice of this Meeting, the aggregate nominal amount of shares which are purchased by the Company pursuant to and in accordance with the said Resolution no. 4B shall be added to the aggregate nominal amount of the shares of the Company that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors of the Company pursuant to and in accordance with Resolution no. 4A set out in the notice of this Meeting.”

5. To consider and, if thought fit, pass the following resolution as a Special Resolution:

“THAT the bye-laws (the “Bye-laws”) of the Company be altered by:

(a) Bye-law 78

By inserting the words “voting by way of a poll is required by the Listing Rules or” immediately after the words “a show of hands unless” in the second line in Bye-law 78; and by deleting the full stop at the end of Bye-law 78(iv) and replacing it with a semi-colon and inserting the word “or” after the semi-colon.

Then by adding the following paragraph as Bye-law 78(v) immediately after Bye-law 78(iv):

“(v) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five (5) per cent or more of the total voting rights at that meeting, and if on a show of hands in respect of any resolution, the meeting votes in the opposite manner to that instructed in those proxies.”

(b) Bye-law 81

By adding the following new sentence to the end of Bye-law 81:

“The Company shall only be required to disclose voting figures on a poll if such disclosure is required by the Listing Rules.”

(c) Bye-law 101

By deleting the existing Bye-law 101 in its entirety and replacing therewith the following new Bye-law 101:

“101. The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or, subject to the Statutes and to Bye-law 112, as an addition to the Board. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number) and shall then be eligible for re-election at that meeting.”

(d) Bye-law 108

By deleting the existing Bye-law 108(A)(vii) in its entirety and substituting therefor the following new Bye-law 108(A)(vii):

“108. (A) (vii) if he shall be removed from office by an ordinary resolution of the Company under Bye-law 116.”

(e) Bye-law 110

By deleting the existing Bye-law 110 in its entirety and substituting therefor the following new Bye-law 110:

“110. (A) At each annual general meeting one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall be subject to retirement by rotation or taken into account in determining the number of Directors to retire. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election. Every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

(B) The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting.”

(f) Bye-law 113

By deleting the existing Bye-law 113 in its entirety and substituting therefor the following new Bye-law 113:

“113. The Company may from time to time without prejudice to the powers of the Board under Bye-law 101 in general meeting by ordinary resolution elect, or authorise the Directors to elect or appoint, any person to be a Director either to fill a vacancy or to act as an additional Director up to the maximum number of Directors determined by the members in general meeting. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number) and shall then be eligible for re-election at that meeting.”

(g) Bye-law 116

By deleting the existing Bye-law 116 in its entirety and substituting therefor the following new Bye-law 116:

“116. Subject to the Companies Act, the Company may be ordinary resolution remove any Director before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract of service between him and the Company) and may elect another person in his stead. Any person so elected shall hold office for such time only as the Director in whose place he is elected would have held the same if he had not been removed.””

By Order of the Board
Fung Chi Ki
Company Secretary

Hong Kong, 31st July, 2006

Notes:

- (1) A member entitled to attend and vote at this Meeting is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company's head office and principal place of business in Hong Kong at Units C-D, 8th Floor, Mai Shun Industrial Building, 18-24 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong, not less than 48 hours before the time appointed for holding this Meeting or adjourned meeting (as the case may be).
- (3) The Register of Members will be closed from Tuesday, 29th August, 2006 to Thursday, 31st August, 2006 (both dates inclusive) during which period no transfer of shares can be registered. All transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong branch share registrar, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Monday, 28th August, 2006.
- (4) In respect of Resolution 4A, the Directors of the Company have no immediate plans to issue any new shares. In accordance with the terms of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong, the general mandate lapses unless it is renewed at the next annual general meeting.

The following are Directors as at the date of this Announcement:

Executive Directors

Li Man Ching (*Chairman*)

Li Mei Lin (*Deputy Chairman and Chief Executive Officer*)

Li Man Shun

Fung Chi Ki

Independent Non-executive Directors

Tsui Wing Yin

Lau Chung Man, Louis

So Kin Wah

Please also refer to the published version of this announcement in International Herald Tribune.